

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 96-174-C - ORDER NO. 96-853
DECEMBER 9, 1996

IN RE: Application of Network Long Distance, Inc.)	ORDER
to Acquire Specified Assets of Universal)	APPROVING
Network Services of South Carolina, Inc.)	TRANSFER OF
)	ASSETS

This matter comes before the Public Service Commission of South Carolina ("the Commission") on the Application of Network Long Distance, Inc. ("NLD") (hereinafter referred to as "the Applicant") requesting approval to transfer selected assets from Universal Network Services of South Carolina, Inc. ("UNS") to NLD pursuant to an Agreement to Purchase Assets signed May 8, 1996. The Application was filed pursuant to S. C. Code Ann. Section 58-9-310 (Supp. 1995).

The Application requested authority to transfer from UNS to NLD the following assets: 1) all Qualified Customer Accounts, including all customer lists, mailing lists, books, records, files, data, letters of agency, and similar items related to the Qualified Customer Accounts; 2) all accounts receivable associated with and derived from the Qualified Customer Accounts and other mutually agreed to accounts receivable; 3) all of UNS's rights under any agreements, application forms, term contracts, letters of agency, and all other contractual instruments related to the

Qualified Customer Accounts, including, but not limited to, UNS's right to assert claims and take other rightful actions with respect to breaches, defaults and other violations of such customer contracts; 4) all customer and other deposits held or made by UNS related to the Qualified Customer Accounts; and (5) all T-1's and other equipment, excluding dialers, currently used by or for the customers relative to the Qualified Customer Accounts.

By letter dated June 14, 1996, the Commission's Executive Director instructed the Applicant to publish a prepared Notice of Filing in newspapers of general circulation in the areas affected by its Application. The purpose of the Notice of Filing was to inform interested parties of the Application and of the manner and time in which to file comments or pleadings for participation in this proceeding. The Applicant complied with the instructions of the Executive Director and submitted affidavits of publication to this effect. No Protests or Petitions to Intervene were received by the Commission.

Pursuant to S. C. Code Ann. Section 58-9-310 (Supp. 1995), a public hearing regarding the Application was held in the Commission's hearing room at 111 Doctors Circle, Columbia, South Carolina, on November 14, 1996, at 11:30 a.m. The Honorable Guy Butler, Chairman, presided. The Applicant was not represented by counsel. The Commission Staff ("the Staff") was represented by Catherine D. Taylor, Staff Counsel.

The Applicant presented Marc Becker to testify and explain

the proposed asset transfer. Mr. Becker is a Vice President for NLD. Mr. Becker explained the Applicant's Asset Purchase Agreement. His testimony revealed that service will be provided by NLD pursuant to its current operating authority and tariff. To the extent that any present UNS rate products are not included in NLD's tariffs, NLD will amend its tariffs accordingly. He further commented that the entire transaction will be virtually transparent to the customers, and that the customers will be notified of the transfer and well served by the transaction, as it will assist in making NLD a more efficient and effective Company. Mr. Becker additionally explained that both UNS and NLD are authorized to provide interexchange services in South Carolina (UNS received certification under Order No. 95-514, and NLD received certification under Order No. 94-1114). The Application reveals that UNS wishes to retain its Certificate of Public Convenience and Necessity to provide telecommunications services in South Carolina after the close of the transaction.

Upon review and consideration of the Application, the testimony presented, and the applicable law, the Commission makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. NLD is a publicly held Delaware corporation which received its South Carolina Certificate of Public Convenience and Necessity in Docket No. 94-235-C.

2. UNS is a privately-held corporation and a wholly-owned subsidiary of Universal Network Services, Inc., both Nevada

corporations. UNS received its South Carolina Certificate of Public Convenience and Necessity in Docket No. 94-614-C.

3. Both NLD and UNS are resellers of interexchange telecommunications services, and both are authorized to provide intrastate services in South Carolina.

4. NLD and UNS have entered into an Agreement for Purchase of Assets, whereby NLD will acquire the following assets from UNS: 1) all Qualified Customer Accounts, including all customer lists, mailing lists, books, records, files, data, letters of agency, and similar items related to the Qualified Customer Accounts; 2) all accounts receivable associated with and derived from the Qualified Customer Accounts and other mutually agreed to accounts receivable; 3) all of UNS's rights under any agreements, application forms, term contracts, letters of agency, and all other contractual instruments related to the Qualified Customer Accounts, including, but not limited to, UNS's right to assert claims and take other rightful actions with respect to breaches, defaults and other violations of such customer contracts; 4) all customer and other deposits held or made by UNS related to the Qualified Customer Accounts; and (5) all T-1's and other equipment, excluding dialers, currently used by or for the customers relative to the Qualified Customer Accounts.

CONCLUSIONS OF LAW


1. The asset transfer described in the Application is in the public interest and, therefore, the Commission approves the requested transfer of assets as stated herein.

2. Upon closure of this transaction, NLD will provide telecommunications services to UNS's former customer base.

3. Upon closure of this transaction, UNS shall retain its Certificate of Public Convenience and Necessity, which was granted in Docket No. 94-614-C.

4. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)